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H.R. 3329 – HOMES FOR HEROES ACT

FLOOR SITUATION

H.R. 3329 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Al Green (D-TX) on August 2, 2007. The House Committee on Financial Services agreed to the bill, as amended, by voice vote, on June 24, 2008.

H.R.3329 is expected to be considered on the floor of the House on July 9, 2008.

SUMMARY

H.R. 3329 establishes a Special Assistant for Veterans Affairs to ensure that veterans have sufficient access to HUD housing assistance programs, to coordinate all veterans-related HUD programs, and to act as a liaison between HUD and the VA.

The legislation authorizes \$200 million for grants to private non-profit and consumer cooperative organizations to be used towards the construction and rehabilitation of permanent supportive housing for veterans that make less than 50 percent of the median income of the area in which they live. Funds authorized may also be used for project rental assistance programs and to provide assistance to veterans with planning and applying for HUD assistance programs. The legislation excludes veteran's benefits from rental subsidy calculations for all federally funded housing programs.

The bill includes a labor provision which requires the Secretary of Housing and Urban Development to ensure that all laborers and mechanics employed in the construction of housing authorized under this bill are paid no less the then prevailing wage of the locality (Davis-Bacon).

H.R. 3329 authorizes such sums as may be necessary for the creation of 20,000 additional housing choice vouchers for homeless veterans for an indefinite number of years. Additionally, the bill authorizes \$1 million in technical assistance grants to non-profit organizations who provide assistance to veterans seeking housing.

BACKGROUND

A 2006 estimate released by the Department of Veterans Affairs (VA) shows that there are approximately 24 million veterans living in the U.S. and Puerto Rico. The VA also estimates that in 2005 there were approximately 194,000 homeless veterans in the U.S. A 2007 Government Accountability Office (GAO) report estimates that 2.3 million veterans are low-income and rent their current housing. The same GAO report concluded that low-income veteran households were less likely to receive assistance from the Department of Housing and Urban Development (HUD) when compared to other low-income households, partly because of the lack in housing preferences for veterans among public housing agencies.

The HUD-Veterans Affairs Supportive Housing Program (HUD-VASH) was established in 1992 and was statutorily authorized by Congress with the passage of the Homeless Veterans Comprehensive Assistance Act of 2001. HUD-VASH is jointly administered by the VA and HUD and provides homeless veterans with a chronic mental illness or a substance abuse problem with permanent supportive housing via Section 8 Housing Choice Vouchers. The 20,000 vouchers that would go to veterans under H.R. 3329 would be in addition to the approximately 19,800 vouchers funded in 2008 and 2009, with \$75 million appropriated for each respective year.

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COST

The Congressional Budget Office estimates that implementing H.R. 3329 would cost about \$1.8 billion over the 2009-2013 period.

Full CBO cost estimate for H.R. 3329

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